Form 3160-3		JITED S	TATES			
(formerly 9-331c)	DEPART		HE INTERIOR		5. LEASE DESIGNATION	N AND SERIAL NO.
		AU OF LAND M				76504
APPLICATIO			RILL, DEEPEN, OR PLU	IG BACK	6. IF INDIAN, ALLOTTEI	OR TRIBE NAME
1a TYPE OF WORK			,		na	
DRILL	X	DEEPEN	PLUG BACK		7. UNIT AGREEMENT N	AME
B TYPE OF WELL					na	
OIL GAS	1 1	OTHER	ZONE MULTIPLE ZONE	x	8. FARM OR LEASE NA na	ME
2. NAME OF OPERATOR	on Exploration	on Company			9 WELL NO. North Horses	noe 13-15-6-21
3. ADDRESS OF OPERATORS		on company			10. FIELD OR LEASE N	
	iana, Suite 2	000 Housto	n, TX, 77002		Undesignated	
4. LOCATION OF WELL (Repo	rt location clearly and in	accordance with any S	State requirement) 40,293 48 4		11. Sec., T., R., M., OR	BLK
at surface 658' FSL		11/11	011384 -109.5488	72	AND SURVEY OR AREA	
At proposed prod. Zone 14. DISTANCE IN MILES AND	same as				Sec. 15 T.6S,	
	outh of Verna		of Office		Uintah	Utah
15. DISTANCE FROM PROPO	SED LOC. TO NEARES	T PROP. OR LEASE	16. NO. OF ACRES IN LEASE	17. NO. OF AC	RES ASSIGNED	
LINE , FT. (Also to nearest drig	. Unit line, if any)	!	720	10 11113 4	40	
16. DISTANCE FROM PROPO	SED LOCATION *		19. PROPOSED DEPTH	20. ROTARY O	R CABLE TOOLS	
TO NEAREST WELL, DRILLING COMPLETED. OR APPLIED FOR, ON THIS LEASE, FT. 1,900'		10,500'	Rotai	rv		
21. ELEVATION (SHOW WHE 4,983' GI	THER DF. RT, GR, etc.)				22. APPROX. DATE WO 8,15,2	
		PROPOSED CA	ASING AND CEMENT PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOO	OT SETTING DEPTH		TY OF CEMENT	
11"	8 5/8"	36#	2000'	238 s		
7 7/8"	4 1/2"	11.6#	T.D.	986 s	ks	
10 poir William 290 S 8	nt plan and n A Ryan 800 E , UT 84078		ssion to drill the subje an.		Please find t	

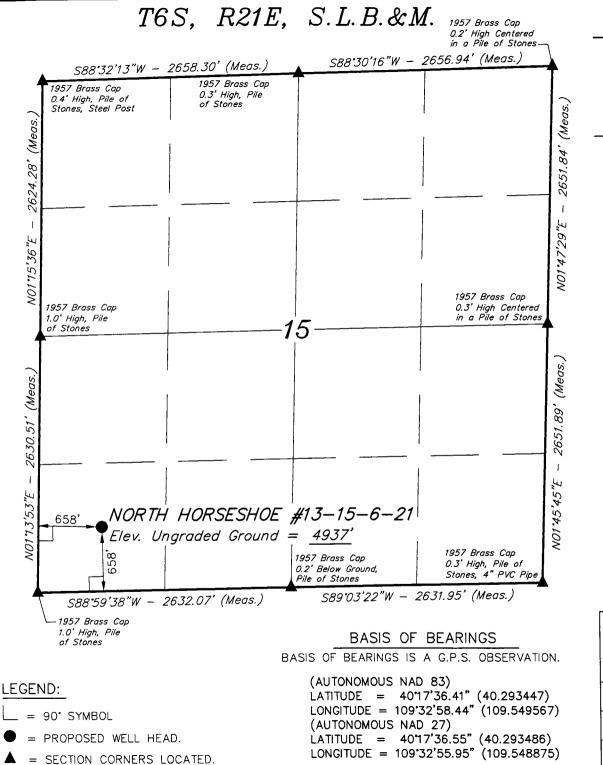
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposed in to deepen or plug back, give data on proposed productive zone and proposed new

blowout preventer program 24 SIGNATURE	William A. Ryan	Agent	DATE	4-17-06
(This space for	Federal or State Office use)	APPROVAL DATE		
APPROVED BY CONDITIONS OF APPRO	DI WANTE TO THE TOTAL TO	BRADLEY G. HILL	DATE	04-25-06

*See Instructions on Reverse Side

Title 18 U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APR 19 2006

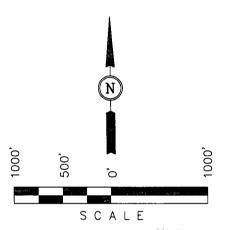


THE HOUSTON EXPLORATION COMPANY

Well location, NORTH HORSESHOE #13-15-6-21, located as shown in the SW 1/4 SW 1/4 of Section 15, T6S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 33, T5S, R21E, S.L.B.&M. TAKEN FROM THE VERNAL SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5349 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE THUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLET.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

Uintah Engineering & Land Surveying 85 South 200 East - Vernal, Utah 84078

(435) 789-1017

DATE SURVEYE
1000' 12-08-0

1" = 1000'	DATE SURVEYED: DATE DRAWN: 12-08-05 12-15-05		
PARTY B.B. J.K. P.M.	REFERENCES G.L.O. PLAT		
WEATHER COLD	FILE THE HOUSTON EXPLORATION COMPANY		

Ten Point Plan

The Houston Exploration Company

North Horseshoe 13-15-6-21

Surface Location SW ¼ SW ¼, Section 15, T. 6S., R. 21E.

1. Surface Formation Duchesne

2. Estimated Formation Tops and Datum:

Formation	Depth	<u>Datum</u>
Duchesne	Surface	4,933'G.L.
Green River	4,377'	+556'
Wasatch	7,777	-2,844'
Mesaverde	10,377	-5,444'
TD	10,500'	-5,567'

A 11" hole will be drilled to 2,000' +/-. The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its submembers.

Off set well information

Permitted/Drilled:

North Horseshoe #1-15-6-21

North Horseshoe #3-15-6-21

North Horseshoe #5-15-6-21

North Horseshoe #7-15-6-21

North Horseshoe #9-15-6-21

North Horseshoe #11-15-6-21

4. Proposed Casing:

Hole	Casing			Coupling	Casing	
<u>Size</u>	Size	Weight/FT	<u>Grade</u>	& Tread	<u>Depth</u>	New/Used
11	8 5/8	36#	J-55	STC	2000	NEW
7 7/8	4 1/2	11.6#	N-80	LTC	T.D.	NEW

Cement Program:

Cement volume = Gauge hole + 25%

The Surface Casing will be cemented from 2000' to the Surface as follows:

Casing Size	Cement Type	Cement Amounts	Cement <u>Yield</u>	Cement Weight
Conductor: 0'- 40'				
14"	Premium "5"	35 sks. +/-	1.18ft³/sk	15.6 ppg
Lead: 0'-1,300'				
8 5/8"	Premium "5"	87 sks. +/-	3.82ft³/sk	11.0 ppg
Tail: 1,300'- 2,000'				
8 5/8"	Premium "5"	151 sks. +/-	1.2ft³/sk	15.6 ppg

NOTE:

Cement top for tail = Trona + 200'

Production casing will be cemented to 200' inside surface casing or higher as follows:

Casing <u>Size</u>	Cement Type	Cement Amounts	Cement <u>Yield</u>	Cement Weight
Lead: 1,800'- 7,577'				
4 1/2"	Premium "5"	499 sks +/-	3.82ft³/sk	11.0 ppg
Tail: 7,577'- TD				
4 ½" NOTE: Cement top for tail =	Premium "5" Wasatch + 200'	487 sks +/-	1.18ft³/sk	15.6 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

Interval	Mud weight <u>lbs./gal.</u>	Viscosity Sec./OT.	Fluid Loss M1/30 Mins.	Mud Type
0-2000	Air/Clear Water	30	No Control	Water/Gel
2000-T.D.	8.4-12.0		8-10	Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

a) Test: None are anticipated.

b) Coring: There is the possibility of sidewall coring.

c) Sampling: Every 10' from 2000' to T.D.

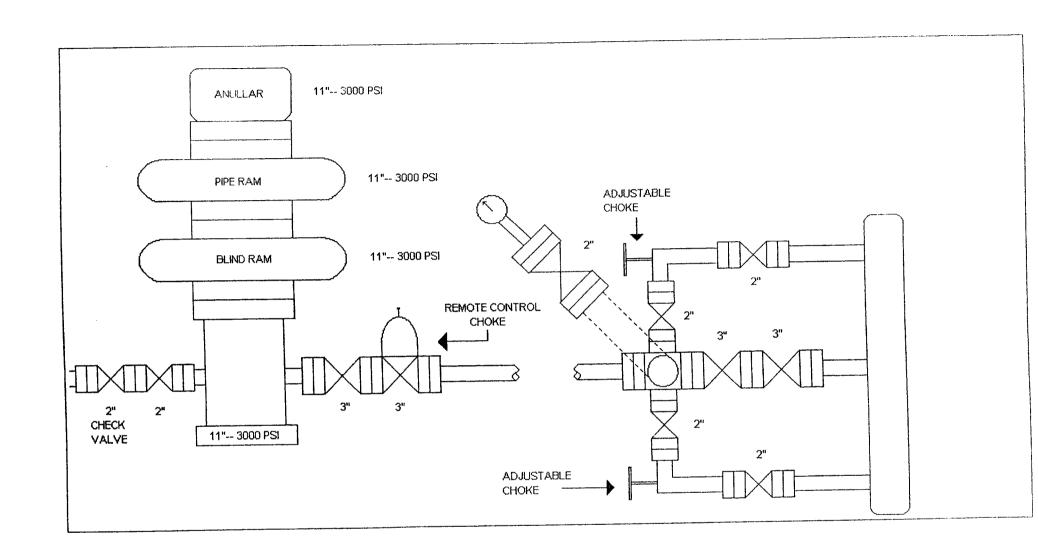
d) Logging: Type Interval
DLL/SFL W/GR and SP T.D. to Surf. Csg
FDC/CNL W/GR and CAL T.D. to Surf. Csg

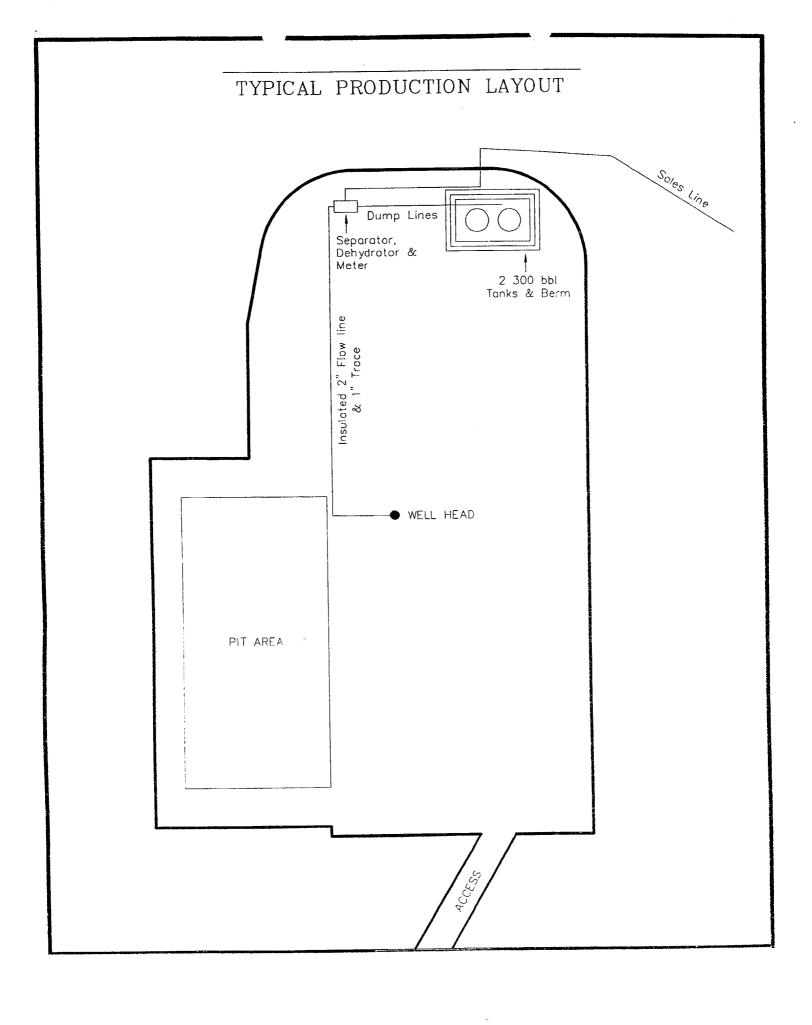
9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H2S.

10. Drilling Schedule:

The anticipated starting date is 8/15/2006. Duration of operations is expected to be 30 days.





THE HOUSTON EXPLORATION COMPANY 13 POINT SURFACE USE PLAN

FOR WELL

NORTH HORSESHOE 13-15-6-21

LOCATED IN SW 1/4 SW 1/4

SECTION 15, T.6S, R21E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-76504

SURFACE OWNERSHIP: FEDERAL

1. Existing Roads:

The Houston Exploration Co. North Horseshoe 13-15-6-21 Section 15, T6S, R 21E

Starting in Vernal, Utah: Proceed in an easterly, then southerly direction from Vernal, Utah along U.S. Highway 40 approximately 3.9 miles to the junction of State Highway 45; exit right and proceed in a southerly, then southeasterly direction approximately 7.2 miles on State Highway 45 to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly, then westerly, then southerly direction approximately 2.0 miles to the junction of this road and an existing road to the northwest; turn right and proceed in a northwesterly direction approximately 0.7 miles to the junction of this road and an existing road to the southwest; turn right and proceed in a southwesterly, then northwesterly direction approximately 1.1 miles to the beginning of the proposed access for the #5-15-6-21 to the north; follow road flags in a northerly direction approximately 100' to the beginning of the proposed access to the east; follow road flags in an easterly direction approximately 160' to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 14.9 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 160' of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	160 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	8%
F) Fence crossing	None
G) Culvert	1
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface	ownership
,	Federal
L) All new construction	on lease
-,	Yes
M) Pipe line crossing	None

Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling /Permitted well	
North Horseshoe 1-15-6-2	1
North Horseshoe 3-15-6-2	1
North Horseshoe 5-15-6-2	1
North Horseshoe 7-15-6-2	1
North Horseshoe 11-15-6-	21
North Horseshoe 13-15-6-	21
North Horseshoe 15-15-6-	21
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation	well
, 3	None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

All tanks will be surrounded by a

dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval form the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 9,700' of 3" steel surface gas gathering line would be constructed on Federal Lands. The line is proposed as surface due to topography, sensitive soils and bedrock sandstone. The line will tie into a proposed pipeline in Section 14, T6S, R21E. The pipeline would be strung and boomed to the east of the location and parallel to the access road. A temporary construction width of 30' will be required for one week. A permanent width of 15' will be required for the life of the well.

An off lease right-of-way will be required for approximately 5,100'.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter.

Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meterproving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from The Green River Permit # T-76073.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 12 ft. deep and most of the depth shall be below the surface of the existing ground Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length		34	5 ft.
B) Pad width		24	5 ft.
C) Pit depth		1	2 ft.
D) Pit length		15	0 ft.
E) Pit width		7	5 ft.
F) Max cut		31.	4 ft.
G) Max fill		16.	0 ft.
H) Total cut yds.	14,89	90 cu	yds
I) Pit location		East	end
J) Top soil location			
- / 1			

North & South ends

K) Access road location

L) Flare Pit

North end Corner C Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at leas 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,870 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the

topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be recontoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep

seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix

4#/acre Indian Rice Grass 4#/acre Crested Wheat Grass 4#/acre Needle & Thread Grass

11. Surface ownership:

Access road Federal Location Federal Pipe line Federal

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit

brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the Green River located 2,100' to the South.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

a) Location Construction At least forty eight (48) hours prior to

- construction of location and access roads.
- b) Location completion prior to moving on the drilling rig.
- c) Spud notice At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
 At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan Rocky Mountain Consulting 290 S 800 E Vernal, UT 84078

Office 435-789-0968 Fax 435-789-0970 Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval.

After permit termination, a new application will be filed for approval for any future operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by The Houston Exploration Company and its contractors and subcontractors in conformity with this plan and

terms and conditions with this plan and the terms and conditions under which it is approved.

Onsite Dates: 3/23/06

Self Certification Statement

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that The Houston Exploration Company is considered to be the operator of the following well:

North Horseshoe #13-15-6-21 Section 15, T. 6S, R. 21E SW ¼ of the SW ¼ Lease UTU-76504 Uintah County, Utah

The Houston Exploration Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTU-104155044 provides statewide bond coverage on all Federal Lands.

Date_

William A. Ryan, Agent Rocky Mountain Consulting

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan Agent for The Houston Exploration Company Rocky Mountain Consulting 290 S 800 E Vernal, UT 84078

435-789-0968 Office 435-828-0968 Cell 435-789-0970 Fax

THE HOUSTON EXPLORATION COMPANY

NORTH HORSESHOE #13-15-6-21

LOCATED IN UINTAH COUNTY, UTAH **SECTION 15, T6S, R21E, S.L.B.&M.**



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY

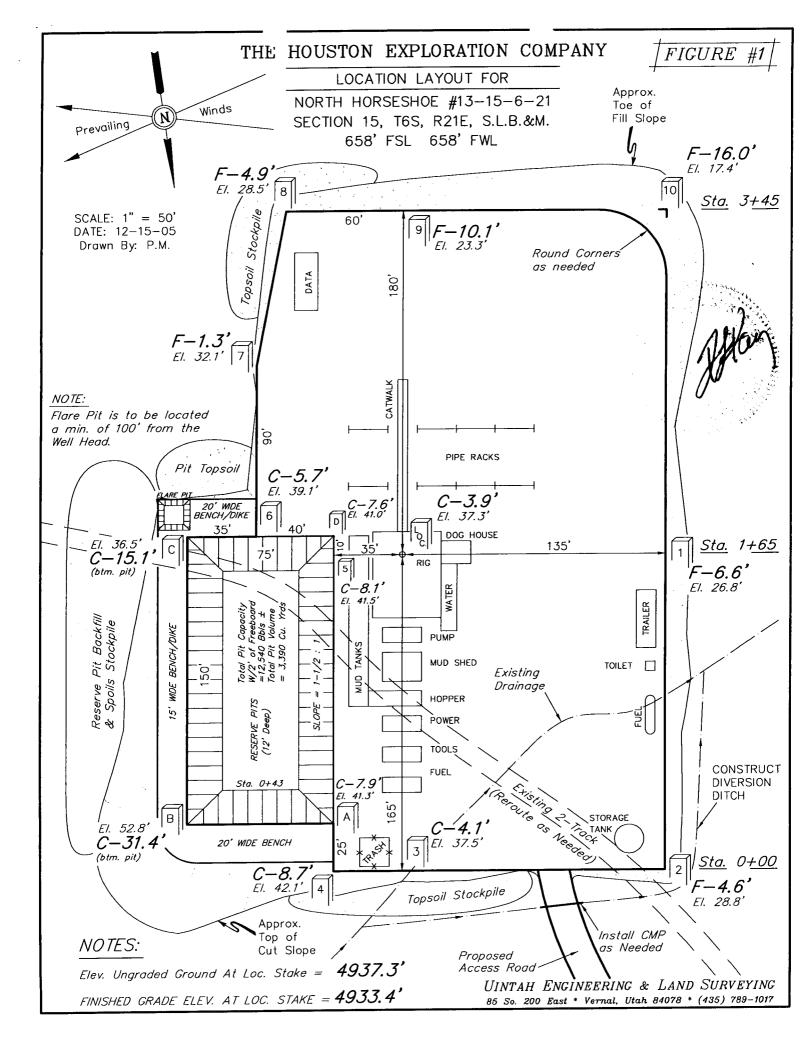


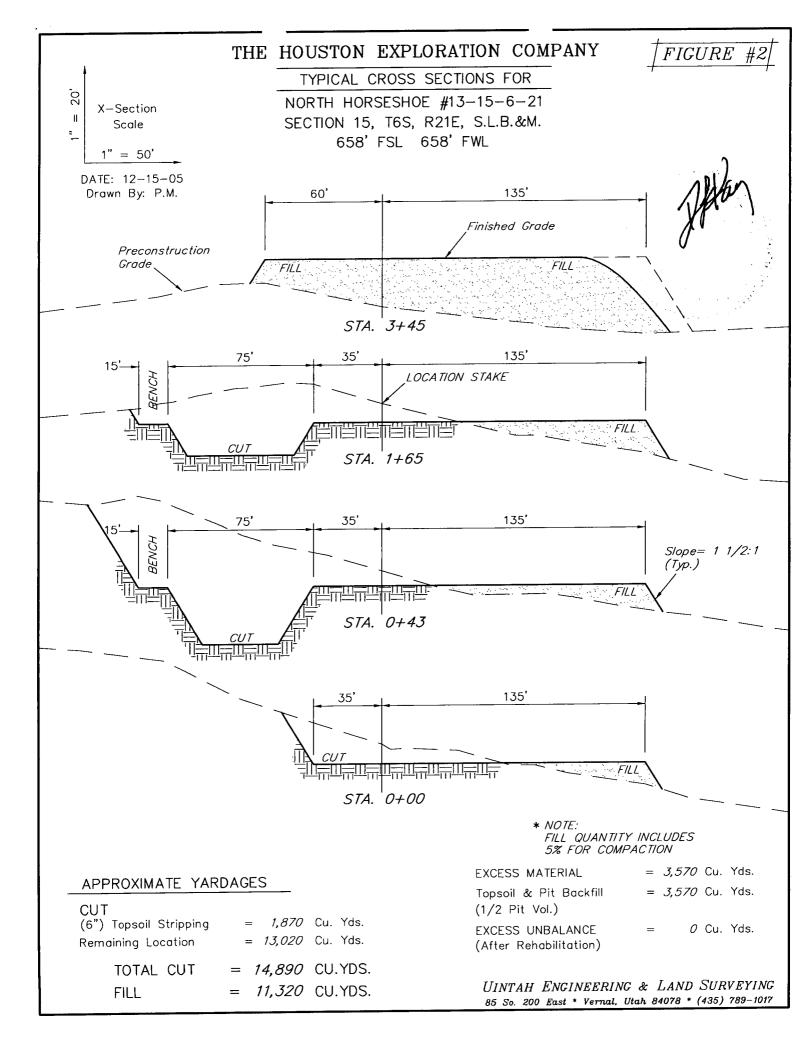
LOCATION PHOTOS

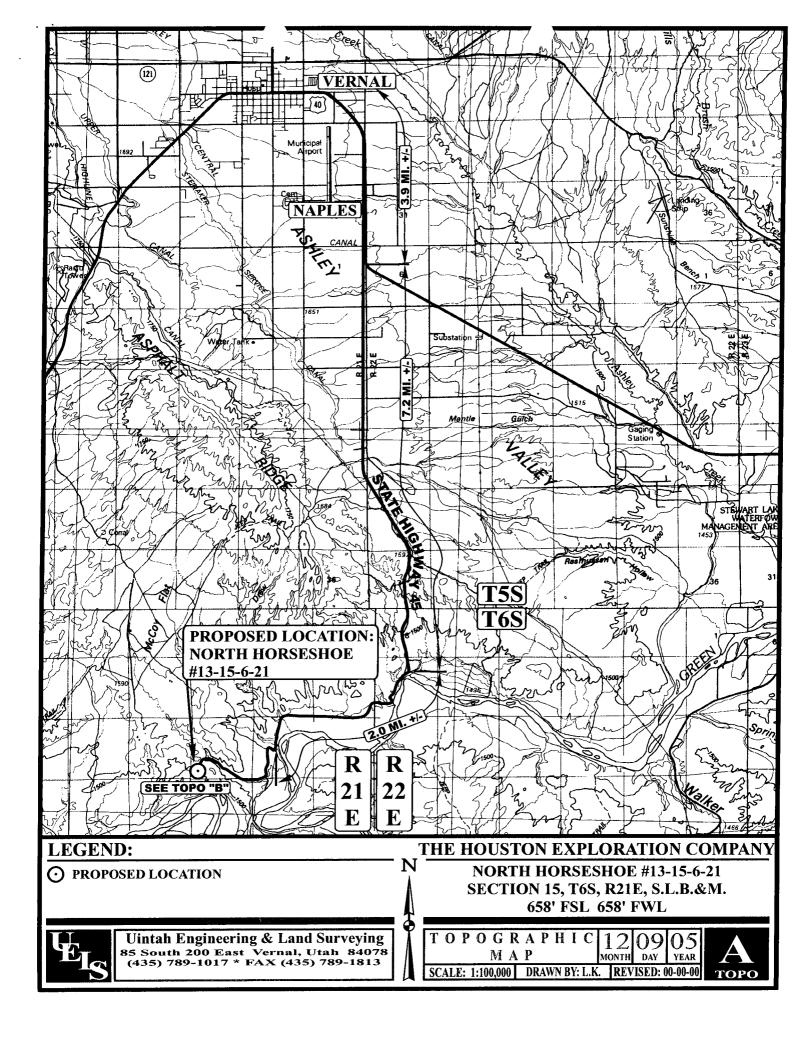
MONTH DAY YEAR

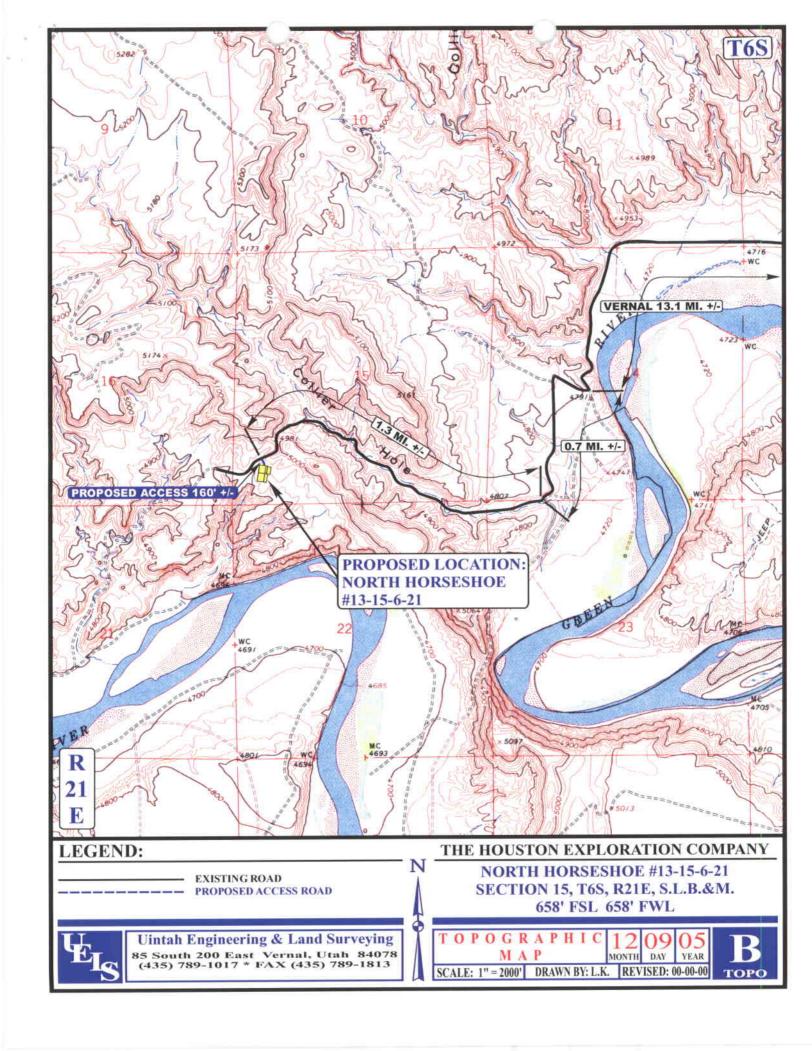
РНОТО

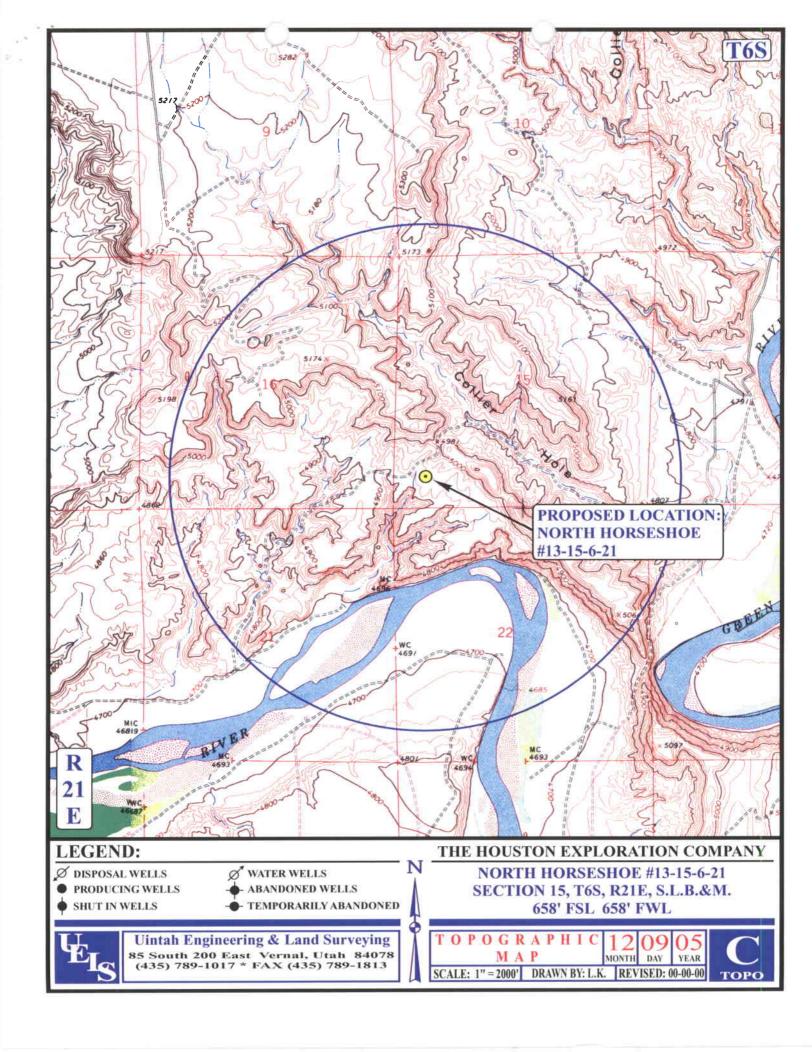
TAKEN BY: B.H. DRAWN BY: L.K. REVISED: 00-00-00

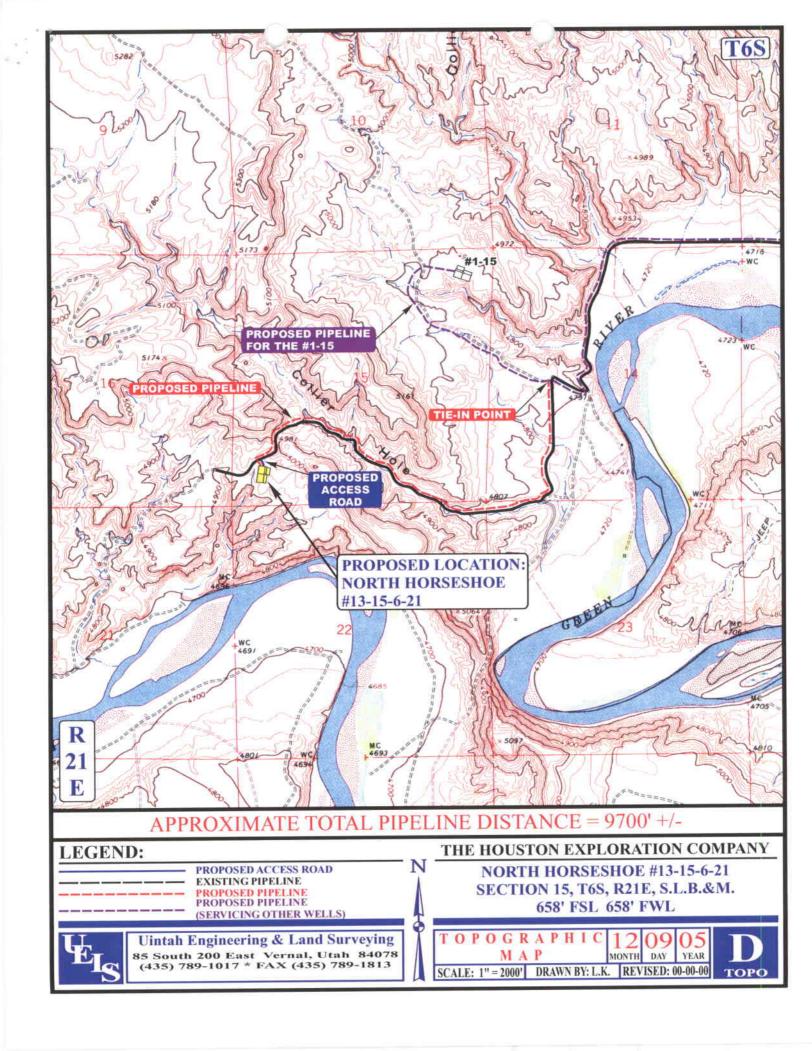






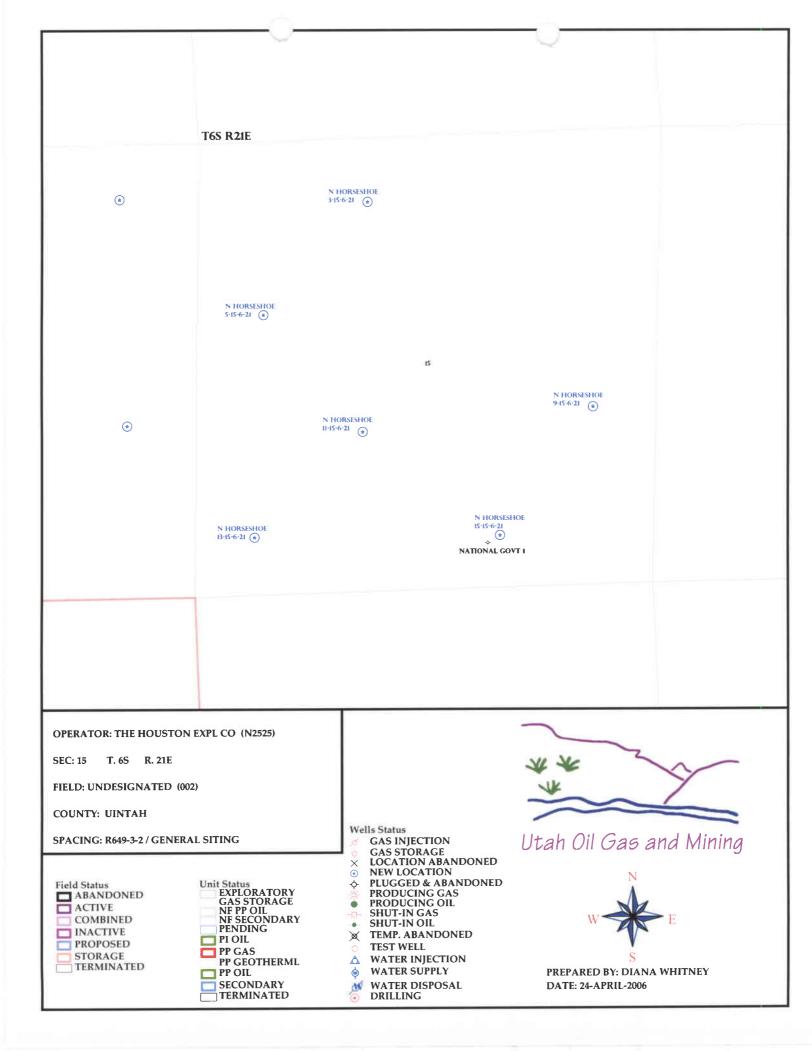






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/19/2006	API NO. ASSIGNED: 43-047-38013				
WELL NAME: N HORSESHOE 13-15-6-21 OPERATOR: HOUSTON EXPLORATION CO, (N2525)	PHONE NUMBER: 435-789-0968				
CONTACT: BILL RYAN					
PROPOSED LOCATION:	INSPECT LOCATN BY: / /				
SWSW 15 060S 210E SURFACE: 0658 FSL 0658 FWL	Tech Review Initials Date				
BOTTOM: 0658 FSL 0658 FWL	Engineering				
COUNTY: UINTAH	Geology				
LATITUDE: 40.29348 LONGITUDE: -109.5489	Surface				
UTM SURF EASTINGS: 623341 NORTHINGS: 44611 FIELD NAME: UNDESIGNATED (2					
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-76504 SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO				
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:				
Plat	R649-2-3.				
Bond: Fed[1] Ind[] Sta[] Fee[]	Unit:				
(No. <u>UTU-104155044</u>) Potash (Y/N)					
N Oil Shale 190-5 (B) or 190-3 or 190-13	Siting: 460 From Qtr/Qtr & 920' Between Wells				
Water Permit	R649-3-3. Exception				
(No. <u>T-76073</u>) RDCC Review (Y/N)	Drilling Unit				
PDCC Review (Y/N) (Date:)	Board Cause No:				
Ma Fee Surf Agreement (Y/N)	Eff Date:				
NOTE The Sull Agreement (1/M) NOTE N					
	R649-3-11. Directional Drill				
COMMENTS:					
STIPULATIONS: 1- Educa Capprove 2- Spacing She	STIPULATIONS: 1- Lidera (Mexico) 2 Spacing She				





State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > April 25, 2006

The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002

Re: North Horseshoe 13-15-6-21 Well, 658' FSL, 658' FWL, SW SW, Sec. 15, T. 6 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38013.

Sincerely,

Gil Hunt

Associate Director

Xtil ZLA

mf

Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	The Houston Exploration Company			
Well Name & Number North Horseshoe 13-15-6-21				
API Number:	43-047	-38013		
Lease:	UTU-7	6504		
Location: SW SW	Sec. 15	T. 6 South	R . 21 Fast	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Ten Point Plan

The Houston Exploration Company

North Horseshoe 13-15-6-21

Surface Location SW 1/4 SW 1/4,

Section 15, T. 6S., R. 21E.

43.047.38013

RECEIVED

AUG 1 6 2006

DIV. OF OIL, GAS & MINING

1. Surface Formation Uintah

2. Estimated Formation Tops and Datum:

Formation		Depth	Datum
Uintah		Surface	4,937'G.R.
Green River		4,377'	560'
Birds Nest	Water	4,577'	360'
Wasatch	Oil/Gas	7,777'	-2,840'
Mesaverde	Oil/Gas	10,377'	-5,440'
TD		10,500'	-5,563'

A 17 ½" hole will be drilled to 4,577' +/-. The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest. All fresh water and oil and gas baring zones shall be protected by casing and cement program.

3. Producing Formation Depth:

Formation objective includes the Wasatch, Mesaverde and their sub-members.

4. Proposed Casing:

Hole	Casing			Coupling	Casing	
<u>Size</u>	<u>Size</u>	Weight/FT	<u>Grade</u>	& Tread	Depth	New/Used
30	26	68.75#	A430		40,	NEW
24	20	94#	H-40	ST&C	350'	NEW
17 ½	13 3/8	85#	N-80	ST&C	4,577	NEW
12	9 5/8	53.5#	N-80	LT&C	7,777	NEW
7 7/8	$4^{1/2}$	11.6#	P-110	LT&C	9,400'	NEW
7 7/8	4 1/2	13.5#	P-110	LT&C	10,500'	NEW

Cement Program:

Conductor casing #1 will be cemented as follows from 0'-40':

Note: Cement Volume = Gauge hole + 50%

	Casing Size	Cement <u>Type</u>	Cement Amounts	Cement <u>Yield</u>	Water Mix	Cement Weight
Lead:						
	26	Portland CMT Class IA 4 Integral Air-entraining		1.15ft³/sk	5	15.8 ppg

Conductor	casing #2 will	be cemented	as follow:	s from 0'- 350':

		e = Gauge hole + 50°		<u> 1rom u'- 350</u>	<u>:</u>	
	it volume Casing	Cement	Cement	Cement	Water	Cement
`	Size	Type	Amounts	Yield	Mix_	Weight
	SIZE	Type	Amounts	<u>1 icia</u>	IVIIX	<u>weight</u>
Lead:						
Leau.	20	Portland CMT	247 sks +/-	1.5ft³/sk	5	15.8 ppg
	_ •	Class "G"				110
		2% Calcium Chloride				
		1/4#/sk Flocele				
Th. C.	.f o.oo.Ca	sing will be soment	ad as follows	from 0' 457	77.	
		nsing will be cement e = Gauge hole + 25°		<u> </u>	_/	
Cemei	Casing	Cement	Cement	Cement	Water	Cement
	Size	Type	Amounts	Yield	Mix	Weight
	<u>512C</u>	<u>1 y p c</u>	7 Milounts	11010	IVIIX	Weight
Lead:						
Doud.	13 3/8"	Premium "5"	987 sks. +/-	3.82ft³/sk	23	11.0 ppg
		16% Gel				110
		10#/sk Gilsonite				
		3% Salt				
Tail:		3#/sk GB3				
ran:	13 3/8"	Class "G"	294 sks. +/-	1 18ft ³ /sk	5	15.6 ppg
	13 3/6	2% Calcium Chlorid		1.101t / SK	3	13.0 ppg
		0.25#/sk Flocele				
Top Jo	ob:					
		Class "G" 1		1.15ft³/sk	5	15.8 ppg
		4% Calcium Chlorid	le			
		0.25#sk Flocele				
Inton	madiata a	asing will be cemen	tad as fallows	from 4 377'.	. 7 777'•	
		e = Gauge hole + 25		11 OHI 4,577	7,777	
Ceme	Casing	Cement	Cement	Cement	Water	Cement
	Size	<u>Type</u>	Amounts	<u>Yield</u>	Mix	Weight
	<u> 5120</u>	1100	11110 01110	<u> </u>		
Lead:						
Doua.	9 5/8"	50/50 POZ'G	972 sks +/-	1.25ft ³ /sk	5.26	14.35 ppg
		5% Salt (BWOW)				110
		0.6% HÀLAD 322				
		0.25#/sk Flowcele				
		0.2% Super CBL 2% Micro Bond				
		270 MICIO DOILO				

Production casing will be cemented as follows from 7,577'- 10,500:

Note: Lead should be 200' above the Wasatch.

Cement volume = Gauge hole + 25%

Casing	Casing	Cement	Cement	Cement	Water	Cement
<u>Depth</u>	<u>Size</u>	<u>Type</u>	<u>Amounts</u>	<u>Yield</u>	<u>Mix</u>	Weight
Lead:						
	4 1/2	PREM.AG300	448 sks +/-	1.73ft³/sk	8.17	13.5 ppg
		50/50 POZ "G" CM"	Γ			
		2% Gel				
		0.4% Halad 344				
		0.25% HR-12				
		0.2% CFR-3				
		5#/sk Sillicalite				
		20% SSA-1				
		0.25#/sk Flowcele				
		0.2% Super CBL				

5. BOP and Pressure Containment Data:

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 13 3/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

Interval	Mud weight lbs./gal.	Viscosity Sec./OT.	Fluid Loss <u>Ml/30 Mins</u> .	Mud Type
0-2000 4,577-T.D.	Air/Clear Water 8.4-12.0	30-45	No Control 8-10	Water/Gel LSND water based mud system

Note: Mud weights may exceed 12.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 12.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

7. Testing, Coring, Sampling and Logging:

DST: a)

None are anticipated.

Coring: b)

There is the possibility of sidewall coring.

c) Mud Sampling: Every 10' from 4,577' to T.D.

Logging: d)

Type

Interval

DLL/SFL W/GR and SP

T.D. to Surf. Csg

FDC/CNL W/GR and CAL T.D. to Surf. Csg

8. Abnormalities (including sour gas)

Anticipated bottom hole pressure will be less than 5000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

9. Other facets of the proposed operation:

Off set well information

None

10. Drilling Schedule:

The anticipated starting date is <u>8/15/2006</u>. Duration of operations is expected to be 30 days.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OU. GAS AND MINING

DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76504 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL 8. WELL NAME and NUMBER: GAS WELL 7 OIL WELL **OTHER** North Horseshoe 13-15-6-21 2. NAME OF OPERATOR 9. API NUMBER: The Houston Exploration Company 4304738013 3. ADDRESS OF OPERATOR PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: 1100 Louisiana Suite 2000 TX Houston 77002 Television 77002 (713) 830-6800 Undesignated 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658 FWL COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 21E STATE: UTAH CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION ACIDIZE DEEPEN REPERFORATE CURRENT FORMATION NOTICE OF INTENT (Submit in Duplicate) ALTER CASING FRACTURE TREAT SIDETRACK TO REPAIR WELL Approximate date work will start CASING REPAIR **NEW CONSTRUCTION** TEMPORARILY ABANDON CHANGE TO PREVIOUS PLANS OPERATOR CHANGE TUBING REPAIR CHANGE TUBING PLUG AND ABANDON VENT OR FLARE SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK WATER DISPOSAL (Submit Original Form Only) CHANGE WELL STATUS WATER SHUT-OFF PRODUCTION (START/RESUME) Date of work completion: COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE ✓ OTHER: Extension CONVERT WELL TYPE **RECOMPLETE - DIFFERENT FORMATION** 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Operator respectfully requests to extend approval for the subject location for one year, Approved by the Utah Division of Oil, Gas and Mining COPY SENI wids: William A. Ryan Agent NAME (PLEASE PRINT) 4/11/2007 SIGNATURE

(This space for State use only)

Application for Permit to Drill Request for Permit Extension

Validation
(this form should accompany the Sundry Notice requesting permit extension)

API:

4304738013

Well Name:	North Horseshoe 13-15-6-21			
Location:	Section 15, Township 6 South, Range 21 East			
	mit Issued to: The Houston Explorati	ion Company		
Date Original	Permit Issued: 4/25/2006			
above, hereby	ed as owner with legal rights to drill verifies that the information as subr ication to drill, remains valid and doe	mitted in the previously		
Following is a verified.	checklist of some items related to th	e application, which should be		
•	rivate land, has the ownership chanç en updated? Yes⊡No☑	ged, if so, has the surface		
•	s been drilled in the vicinity of the pro siting requirements for this location?	•		
	n any unit or other agreements put in peration of this proposed well? Yes[•		
	en any changes to the access route could affect the proposed location?	• • • • • • • • • • • • • • • • • • • •		
Has the approv	ved source of water for drilling chang	ged? Yes□No☑		
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑				
s bonding still in place, which covers this proposed well? Yes ☑No□				
_ William	ma Tram	4/11/2007		
Signature		Date		
Title: Agent				
Representing:	The Houston Exploration Company			

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

_

Change of Operator (Well Sold)	X - Operator Merger					
The operator of the well(s) listed below has chan	ged, effective:			6/1/2007		
FROM: (Old Operator):		TO: (New O	perator):			
N2525 - The Houston Exploration Company		N6965-Forest		ition		
1100 Louisiana, Suite 2000		· ·	th St, Suite			
Houston, TX 77002		1	, CO 80202			
Phone: 1-(713) 830-6800		Phone: 1 (303)	•			
CA No.		Unit:	1012-1733			·
WELL NAME	SEC TWN RN		ENTITY	LEASE	WELL	WELL
	220 1 1111 141		NO	TYPE	TYPE	STATUS
SEE ATTACHED LIST						
OPERATOR CHANGES DOCUMENT.	ATION					
Enter date after each listed item is completed	AIION					
1. (R649-8-10) Sundry or legal documentation wa	s received from the	ne FORMER one	erator on:	7/30/2007		
2. (R649-8-10) Sundry or legal documentation wa				7/30/2007	-	
3. The new company was checked on the Departs		=			_	7/21/2007
4a. Is the new operator registered in the State of U		Business Numb	_			7/31/2007
		Business Num	ber:	571171-0143) -	
4b. If NO , the operator was contacted contacted o		DIDI (CE				
5a. (R649-9-2)Waste Management Plan has been re		IN PLACE	-			
5b. Inspections of LA PA state/fee well sites compl			_			
5c. Reports current for Production/Disposition & S		YES	_			
6. Federal and Indian Lease Wells: The BL			e merger, na	me change,		
or operator change for all wells listed on Federa	ıl or Indian leases	on:	BLM	7/31/2007	BIA	•
7. Federal and Indian Units:						
The BLM or BIA has approved the successor				n/a	_	
8. Federal and Indian Communization Ag		•				
The BLM or BIA has approved the operator f				n/a	_	
9. Underground Injection Control ("UIC") The I	Division has appro	oved UIC F	orm 5, Trans i	fer of Au	thority to
Inject, for the enhanced/secondary recovery un	it/project for the v	vater disposal wel	ll(s) listed o	n:	n/a	_
DATA ENTRY:						
1. Changes entered in the Oil and Gas Database		8/27/2007	-			
2. Changes have been entered on the Monthly Op	erator Change S	-		8/27/2007		
3. Bond information entered in RBDMS on:		8/27/2007	-			
4. Fee/State wells attached to bond in RBDMS on		8/27/2007	-			
5. Injection Projects to new operator in RBDMS o6. Receipt of Acceptance of Drilling Procedures for		n/a	7/20/2007			
BOND VERIFICATION:	I APD/New oii:		7/30/2007			
Federal well(s) covered by Bond Number:		6026251				
2. Indian well(s) covered by Bond Number:		6236351 n/a	-			
3a. (R649-3-1) The NEW operator of any fee well	(s) listed covered		- r	6218963		
3b. The FORMER operator has requested a release		-	not yet		ı	
	•			•		
LEASE INTEREST OWNER NOTIFIC						
4. (R649-2-10) The FORMER operator of the fee			ned by a let	ter from the D	ivision	
of their responsibility to notify all interest owner	s of this change o	n:	8/1/2007			
COMMENTS:						

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

	DIVISION OF OIL, GAS AND MI				
	5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List				
SUNDRY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for proposals to drill n drill horizontal la	7. UNIT or CA AGREEMENT NAME:				
TYPE OF WELL OIL WELL	GAS WELL OTHER_		8. WELL NAME and NUMBER: See Attached List		
2. NAME OF OPERATOR:	1/10/		9. API NUMBER:		
Forest Oil Corporation	N6965		various		
3. ADDRESS OF OPERATOR: 707 17th Street, #3600	P Denver, STATE CO ZIP	PHONE NUMBER: (303) 812-1755	10. FIELD AND POOL, OR WILDCAT:		
4. LOCATION OF WELL	7 STATE ZIP				
FOOTAGES AT SURFACE: See at	ttached list		COUNTY:		
QTR/QTR, SECTION, TOWNSHIP, RAN	IGE, MERIDIAN:	entropy of the second of the s	STATE: UTAH		
11. CHECK APPI	ROPRIATE BOXES TO INDICAT	TE NATURE OF NOTICE, REPO	ORT. OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
NOTICE OF INTENT	ACIDIZE	DEEPEN	REPERFORATE CURRENT FORMATION		
(Submit in Duplicate)	ALTER CASING	FRACTURE TREAT	SIDETRACK TO REPAIR WELL		
Approximate date work will start:	CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON		
	CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE	TUBING REPAIR		
	CHANGE TUBING	PLUG AND ABANDON	VENT OR FLARE		
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG BACK	WATER DISPOSAL		
Date of work completion:	CHANGE WELL STATUS	PRODUCTION (START/RESUME)	WATER SHUT-OFF		
	COMMINGLE PRODUCING FORMATIONS	RECLAMATION OF WELL SITE	✓ OTHER: Change of Operator		
12. DESCRIBE PROPOSED OR CO	CONVERT WELL TYPE DMPLETED OPERATIONS. Clearly show all p	RECOMPLETE - DIFFERENT FORMATION	10/0-		
Effective 6/1/2007 please change the operator for the attached list of Utah wells from The Houston Exploration Company N-2525) to Forest Oil Corporation (N-6965). Forest merged with The Houston Exploration Company, a copy of the merger document is attached The contract operated wells will continue to be contract operated by Enduring. Forest Oil Corporation as new operator, accepts all applicable terms, conditions, stipulations and restrictions concerning approved operations conducted on the lease or portion of the lease described. Forest Oil Corporation meets the State of Utah bonding requirements under Safeco bond #6218963. Please send all future correspondence to Forest Oil Corporation at the above listed address. Forest Oil Corporation, 707 17th Street, Suite #3600, Denver, CO 80202 J. F. Ridens, Senior Vice President - Western Region Date					
NAME (PLEASE PRINT) Joanne C.	. Hresko	TITLE Vice President 8	& General Mgr Northern Division		
SIGNATURE HOMM	u C. Thisho	DATE	7		
(This space for State use only)	о <i>А</i>	Il wells with status	APD or New		
APPROVED	8127107	status	RECEIVED		
Division of Oil, Gas	and Mining	ructions on Reverse Side)	JUL 3 0 2007		
Earlene Russell, Engi	ineering Technician		DIN UE UIL CVO & MINING		

DIN UE UII CAGO MINING MUL

well name	sec	twp	rng	api	entity	lease	well	stat	flag
HORSESHOE BEND 16-33	33			4304736214		Federal		APD	
HORSESHOE BEND 3-33	33			4304736215		Federal	OW	APD	
N HORSESHOE 7-16-6-21	16			4304737438		State	GW	APD	С
N HORSESHOE 9-16-6-21	16			4304737439		State	GW	APD	С
N HORSESHOE 15-16-6-21	16			4304737440		State	GW	APD	С
N HORSESHOE 11-16-6-21	16			4304737441		State	GW	APD	C
N HORSESHOE 1-16-6-21	16			4304737442		State	GW	APD	C
N HORSESHOE 13-2-6-21	02			4304737476		State	GW	APD	C
N HORSESHOE 15-2-6-21	02			4304737477		State	GW	APD	C
GUSHER 2-2-6-19	02			4304737561		State	OW	APD	C
GUSHER 16-2-6-19	02			4304737562		State	OW	APD	C
GUSHER 1-2-6-19	02			4304737563		State	OW	APD	C
GUSHER 3-2-6-19	02			4304737568		State	OW	APD	C
E COYOTE 6-2-8-25	02			4304737572	ļ	State	GW	APD	C
E COYOTE 3-2-8-25	02			4304737573	 	State	GW	APD	C
E COYOTE 8-2-8-25	02	_		4304737574		State	GW	APD	C
N HORSESHOE 13-16-6-21	16			4304737575	l	State	GW	APD	C
E COYOTE 4-2-8-25	02			4304737882	 	State	GW	APD	С
E COYOTE 14-2-8-25	02			4304737883		State	GW	APD	C
E COYOTE 10-2-8-25	02			4304737884		State	GW	APD	C
E COYOTE 16-2-8-25	02			4304737885	!	State	GW	APD	C
E COYOTE 12-2-8-25	02			4304737886		State	GW	APD	$\frac{\tilde{c}}{C}$
N HORSESHOE 16-18-6-22	18			4304737887		Federal	GW	APD	C
N HORSESHOE 14-18-6-22	18			4304737888	 	Federal	GW	APD	C
N HORSESHOE 2-18-6-22	18			4304737889		Federal	GW	APD	C
N HORSESHOE 10-18-6-22	18			4304737890		Federal	GW	APD	C
N HORSESHOE 8-18-6-22	18			4304737891		Federal	GW	APD	C
N HORSESHOE 13-15-6-21	15			4304738013		Federal	GW	APD	C
N HORSESHOE 15-15-6-21	15			4304738014		Federal	GW	APD	C
N HORSESHOE 11-15-6-21	15			4304738015		Federal	GW	APD	C
N HORSESHOE 9-15-6-21	15			4304738016		Federal		APD	C
N HORSESHOE 5-15-6-21				4304738017		Federal			C
N HORSESHOE 3-15-6-21	15			4304738018		Federal			C
N HORSESHOE 5-20-6-22	20			4304738019		Federal			C
N HORSESHOE 13-20-6-22	20			4304738020		Federal			C
N HORSESHOE 3-20-6-22	20			4304738021		Federal			C
N HORSESHOE 7-20-6-22	20			4304738022		Federal			C
N HORSESHOE 11-20-6-22	20			4304738023		Federal			C
N HORSESHOE 2-12-6-21	12			4304738198		Federal			C
N HORSESHOE 14-12-6-21	12			4304738199		Federal			C
N HORSESHOE 10-12-6-21	12			4304738200		Federal			C
N HORSESHOE 8-12-6-21	12			4304738201		Federal			C
N HORSESHOE 16-13-6-21	13			4304738202		Federal			C
N HORSESHOE 15-17-6-22	17			4304738203		Federal			C
N HORSESHOE 5-19-6-22	19			4304738204	_	Federal			C
N HORSESHOE 15-19-6-22	19			4304738205	-	Federal	ļ		C
N HORSESHOE 3-21-6-22	21			4304738206		Federal			C
N HORSESHOE 11-21-6-22	21			4304738207		Federal		-	$\frac{\tilde{c}}{C}$
N HORSESHOE 15-21-6-22	21			4304738208		Federal			C
N HORSESHOE 13-21-6-22	21			4304738209				APD	$\frac{\ddot{c}}{c}$
N HORSESHOE 5-21-6-22	21			4304738210		Federal			$\frac{c}{c}$
N HORSESHOE 7-19-6-22	19			4304738271	-	Federal	GW		C
N HORSESHOE 5-16-6-22	16			4304738406		State	GW		Ľ
11 1101001011011 0 10 0 22	1.0	0000	22VI	1301130700	Ц	Diano	<u> </u>	1,20	

well name	sec	twp	rng	api	entity	lease	well	stat	flag
TWELVEMILE WASH 11-13-5-20	13			4304738437		Federal		APD	C
TWELVEMILE WASH 1-15-5-20	15			4304738438		Federal		APD	C
N HORSESHOE 4-33-5-21	33			4304738439		Federal		APD	C
GUSHER 6-15-6-19	15			4304738440		Federal	GW	APD	C
HORSESHOE BEND W 9-34-6-20	34			4304738441		Federal	GW	APD	C
N HORSESHOE 16-12-6-21	12	1		4304738442		Federal	GW	APD	C
N WALKER HOLLOW 12-29-6-23	29	1		4304738443		Federal		APD	C
N WALKER HOLLOW 10-30-6-23	30			4304738444		Federal	GW	APD	C
PELICAN LAKE 11-3-8-20	03			4304738445		Federal	GW	APD	C
PELICAN LAKE 8-4-8-20	04			4304738446		Federal		APD	C
E COYOTE 10-3-8-25	03			4304738447		Federal		APD	C
BORDER 10-9-8-25	09			4304738448		Federal	GW	APD	C
N WALKER HOLLOW 14-33-6-23	33			4304738455		Federal	GW	APD	C
SNAKE JOHN WASH 14-11-7-25	11			4304738456		Federal		APD	C
SNAKE JOHN WASH 4-24-7-25	24			4304738457		Federal	 	APD	C
SQUAW RIDGE 1-26-7-25	26		<u> </u>	4304738458		Federal		APD	C
SQUAW RIDGE 13-28-7-25	28			4304738459		Federal		APD	Č
SQUAW RIDGE 16-30-7-25	30			4304738460		Federal		APD	C
SQUAW RIDGE 14-16-7-25	16			4304738461		State	GW	APD	C
GUSHER 13-11-5-19	11			4304738462		State	GW	APD	C
N HORSESHOE 1-15-6-21	15	-		4304738831		Federal		APD	C
N HORSESHOE 16-9-6-22	09			4304739083		State		APD	
N HORSESHOE 12-7-6-22	07			4304739084		State		APD	
N HORSESHOE 14-10-6-22	10			4304739085		State	GW	APD	
N HORSESHOE 2-15-6-22	15			4304739086		State	ļ	APD	
N WALKER HOLLOW 12-32-6-23	32			4304739087		State		APD	
N WALKER HOLLOW 10-32-6-23	32			4304739088		State		APD	
N WALKER HOLLOW 16-32-6-23	32			4304739089		State	GW	APD	
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304739090		State		APD	
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304739091		State	GW	APD	
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304739092		State	GW	APD	
N WALKER HOLLOW 14-32-6-23	32			4304739093		State	GW	APD	Ш
N WALKER HOLLOW 15-36-6-23				4304739094		State		APD	\Box
N HORSESHOE 4-15-6-22				4304739095		State	GW	APD	
N HORSESHOE 9-10-6-21	10	060S	210E	4304739284		Federal	GW	APD	С
N HORSESHOE 12-13-6-21	13	060S	210E	4304739285		Federal	GW	APD	
N HORSESHOE 7-15-6-21	15			4304739286		Federal		APD	
N HORSESHOE 9-19-6-22				4304739287		Federal		APD	
N HORSESHOE 13-19-6-22	19	060S	220E	4304739288		Federal		APD	
N HORSESHOE 11-19-6-22	19	060S	220E	4304739289		Federal	GW	APD	
SQUAW RIDGE 16-13-7-24	13	070S	240E	4304739319		Federal	GW	APD	С
N HORSESHOE 16-7-6-22	07	060S	220E	4304739320		Federal	GW	APD	С
SQUAW RIDGE 8-16-7-25	16	070S	250E	4304738024		State	GW	NEW	C

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	N Horseshoe 13-15-6-21				
API number:	4304738013				
Location:	Qtr-Qtr: SWSW Section: 15 Township: 6S Range: 21E				
Company that filed original application:	The Houston Exploration Company				
Date original permit was issued:	04/25/2006				
Company that permit was issued to:	The Houston Exploration Company				

Check one	Desired Action:
	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
1	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.		
If located on private land, has the ownership changed?		1
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		1
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		√
Has the approved source of water for drilling changed?		1
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		√
Is bonding still in place, which covers this proposed well? Bond No. 6218963	1	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Tami Hofmann	Title Regulatory Specialist
Signature Jami Haman	Date 08/02/2007
Representing (company name) Forest of Corporation	

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

STATE OF UTAH

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL OIL WELL GAS WELL OTHER 2. NAME OF OPERATOR: Forest Oil Corporation 3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 (303) 812-1700 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REFETIVE OF SUBMISSION TYPE OF ACTION VICTOR OF INTENT GEPEN (Submit in Duplicate) ACIDIZE DEEPEN FRACTURE TREAT	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76504
1. TYPE OF WELL OIL WELL OIL WELL OIL WELL OIL WELL OIL WELL OTHER 2. NAME OF OPERATOR: Forest Oil Corporation 3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 OITY Denver STATE CO ZIP 80202 (303) 812-1700 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL OTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION ODEEPEN	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL GAS WELL OTHER 2. NAME OF OPERATOR: Forest Oil Corporation 3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 (303) 812-1700 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION NOTICE OF INTENT ACIDIZE DEEPEN	7. UNIT or CA AGREEMENT NAME: NA
Forest Oil Corporation 3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 (303) 812-1700 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION NOTICE OF INTENT ACIDIZE PHONE NUMBER: (303) 812-1700 STATE CO ZIP 80202 (303) 812-1700 TYPE OF ACTION DEEPEN	8. WELL NAME and NUMBER: North Horseshoe 13-15-6-21
3. ADDRESS OF OPERATOR: 707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION NOTICE OF INTENT PHONE NUMBER: (303) 812-1700 BY NOTICE OF INTENT PHONE NUMBER: (303) 812-1700 TYPE OF ACTION DEEPEN	9. API NUMBER:
707 17th ST Suite 3600 CITY Denver STATE CO ZIP 80202 (303) 812-1700 4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION NOTICE OF INTENT ACIDIZE Denver STATE CO ZIP 80202 (303) 812-1700 (303) 812-1700	4304738013 10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 658' FSL & 658' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 15 6S 21E 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REF TYPE OF SUBMISSION TYPE OF ACTION NOTICE OF INTENT ACIDIZE DEEPEN	exploratory
TYPE OF SUBMISSION TYPE OF ACTION ACIDIZE DEEPEN	COUNTY: Uintah STATE: UTAH
TYPE OF SUBMISSION TYPE OF ACTION ACIDIZE DEEPEN	PORT, OR OTHER DATA
W NOTICE OF INTENT ☐	
	REPERFORATE CURRENT FORMATION
(SSSIMAL PARIOTORE INEAL	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK	WATER DISPOSAL
(Submit Original Form Only) CHANGE WELL STATUS PRODUCTION (START/RESUME)	WATER SHUT-OFF
Date of work completion: COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE	✓ other: Extension
CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	
The operator respectfully requests a one year approval extension for the subject location. Approved by the Utah Division of Oil, Gas and Mining	
on, add and winning	COPY SENT TO OPERATOR
Date: 04-79-080	Date: 5 · 1 · 2008
NAME (PLEASE PRINT) Ginger Bowden TITLE Agent	
SIGNATURE - MANGE : Pro 20 0 00	

(This space for State use only)

RECEIVED APR 2 8 2008



Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

	4304738013	2.15 (21	
Well Name: Location:	North Horseshoe 1: Sec. 15, T6S, R21E		
Company Per		Forest Oil Corporation (Ho	ouston Exploration Co)
above, hereby	verifies that the	n legal rights to drill on information as submitte mains valid and does r	
Following is a overified.	checklist of some	e items related to the a	pplication, which should be
	rivate land, has t en updated? Yes	he ownership changed □No☑	, if so, has the surface
·		the vicinity of the proponts for this location? Ye	sed well which would affect es□No☑
		er agreements put in pl proposed well? Yes□N	ace that could affect the lo☑
		to the access route incoroposed location? Yes	luding ownership, or right- :□No☑
Has the approv	ed source of wa	ter for drilling changed	? Yes□No☑
	ire a change in p	changes to the surface plans from what was dis	location or access route scussed at the onsite
ls bonding still	in place, which c	covers this proposed w	ell? Yes⊠No□
Linae	Bowder	2	4/24/2008
Signature 4	•		Date
Title: Agent			
Representing:	Forest Oil Corpora	ation	
-			

RECEIVED APR 2 8 2008



Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director June 18, 2009

Forest Oil Corporation 707 17th Street, Suite 3600 Denver, CO 80202

Re: APD Rescinded – N Horseshoe 13-15-6-21, Sec.15, T.6S, R.21E

Uintah County, Utah API No. 43-047-38013

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 25, 2006. On April 16, 2007 and April 29, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 30, 2009.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html



IN REPLY REFER TO: 3160 UTG011

February 11, 2010

Charles A. Rasey Forest Oil Corporation 707 17th Street, Suite 3600 Denver, CO 80202

43-047-38013

Re:

Request to Return APD

Well No. North Horseshoe 13-15-6-21

SWSW, Sec. 15, T6S, R21E

Uintah County, Utah Lease No. UTU-76504

Dear Mr. Rasey:

The Application for Permit to Drill (APD) for the above referenced well received April 18, 2006, is being returned unapproved per a request from Kelly Harris in an email message to Natural Resource Specialist Lori Ford received on February 10, 2010. The message stated that this is Forest Oil Corporation's official request to have the wells on the list in the email returned unapproved, as they are not going to pursue any work with them. This APD is holding Lease UTU-76504 in suspension. The lease suspension will be terminated once this APD is returned.

Forest Oil Corporation has the right to a State Director review of this decision as per the procedures outlined in 43 CFR 3165.3. If you have any questions regarding this matter or APD processing, please contact me at (435) 781-4502.

Sincerely,

James H. Sparger

Acting Assistant Field Manager Lands & Minerals Resources

Enclosures

CC:

UDOGM

RECEIVED

FEB 17 2010

DIV. OF OIL, GAS & MINING